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Co-Counsel for The Class 10 Liquidation Trust

In the Matter of:

SHAPES/ARCH HOLDINGS L.L.C., *et al.*,

Reorganized Debtors.

THE CLASS 10 LIQUIDATION TRUST, by
and through Steven D. Sass, as Trustee,

Plaintiff,

v.

NANCY CARPEY, ELLEN GROSSMAN,
RICHARD GROSSMAN, CECELIA
KESSLER, BETH ANN KESSLER, AMY
LABOZ, LINDA FLEISHER, STEVEN
GRABELL, HELENE KENDALL and PAUL
SORENSEN, JR.,

Defendants.

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY
HON. GLORIA M. BURNS
CASE NO. 08-14631 (GMB)
(Jointly Administered)

Chapter 11

ADV. NO. 10-01398 (GMB)

**STIPULATION MODIFYING
DEADLINES ESTABLISHED IN THE
PROCEDURES ORDER DATED
JANUARY 21, 2011**

It is hereby stipulated and agreed by and between Cole, Schotz, Meisel, Forman & Leonard, P.A. and Halperin Battaglia Raicht, LLP, attorneys for plaintiff, The Class 10 Liquidation Trust, by and through Steven D. Sass, as Trustee ("Plaintiff") and Klehr, Harrison, Harvey, Branzburg, LLP, attorneys for the above-captioned defendants (together the "Defendants" and individually, the "Defendant" and together with the Plaintiff, the "Parties"), that the "Order Modifying Certain of the Deadlines Established in the Global Procedures Order Dated October 18, 2010" dated as of January 21, 2011 (the "Procedures Order") is modified for purposes of the above-captioned adversary proceeding as follows¹:

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- i. **Completion of fact discovery:** May 24, 2011. All motions to compel discovery are to be made so that the Court can rule and discovery can be obtained prior to that date.
 - ii. **Completion of expert discovery.** August 15, 2011, with Plaintiff's production of its expert report on or before June 7, 2011 and Defendants' production of their expert report on or before July 12, 2011.
 - iii. **Dispositive motions:** September 19, 2011. Dispositive motions shall be filed by that date and made returnable no later than October 18, 2011.
 - iv. **Mediation:** If the adversary proceeding has not been otherwise resolved by or before October 31, 2011 with respect to any of the Defendants, such Defendants' cases shall be referred to mediation as of that date. The mediation deadlines and procedures shall be as follows:
 - The "Initiation Date" of the mediations shall be **November 14, 2011**. On or before the Initiation Date, the Liquidation Trust shall file with the Court a list of four (4) mediators who are on the register of eligible mediators

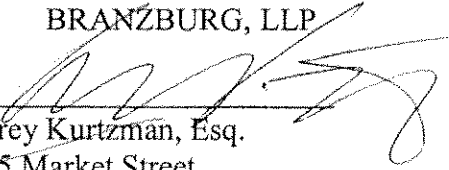
¹ The Plaintiff and the Defendants reserve all rights to seek further extensions of the deadlines agreed to herein, whether by consent of the Parties or by Court order.

maintained by the United States Bankruptcy Court for the District of New Jersey (the "Mediators"), and within ten (10) days after the Initiation Date, each Defendant shall propose to the Liquidation Trust in writing which Mediator will preside over the mediation with respect to that Defendant (subject to such Mediator's availability and clearance of any and all conflict of interest issues), and an alternate Mediator.

- If a Defendant does not notify the Liquidation Trust in writing of its choice within ten (10) days after the Initiation Date, the Liquidation Trust shall decide, in its sole discretion, which of the Mediators shall preside (again subject to such Mediator's availability and clearance of any and all conflict of interest issues) and who shall serve as the alternate, and shall notify the Defendant of such choice in writing.
 - If the selected Mediator and the alternate Mediator are conflicted or otherwise unavailable, the selecting party shall choose one of the remaining Mediators.
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- On or before December 12, 2011, the Liquidation Trust shall file with the Court and serve upon the affected Defendants a notice and proposed order identifying the matters that have been referred to mediation, and the selected Mediator and alternate Mediator for each matter. Absent an objection to the proposed order within ten (10) days of service, the Court may enter such order (the "Referral Order"). Alternatively, if there is an agreement between the parties as to the Mediators and alternate Mediators, the Liquidation Trust shall file an executed stipulation evidencing such agreement, and no notice or objection period shall be necessary.
 - The mediations shall be held at (a) the offices of Cole Schotz Meisel Forman & Leonard, P.A., Court Plaza North, 25 Main Street, Hackensack, New Jersey 07601 or Halperin Battaglia Raicht, LLP, 555 Madison Avenue, New York, New York 10022 or (b) such other location reasonably convenient for the parties. The location, date and time of a particular mediation shall be set by the Mediator, after consultation with the parties. All mediations shall occur within forty-five (45) days from entry of the Referral Order.
 - Except as specifically modified herein, the mediations shall be governed by the provisions of Local Bankruptcy Rule 9019-2.
- v. **Trial:** If the adversary proceeding has not been otherwise resolved by or before March 6, 2012 with respect to any of the Defendants, the matter shall be set for trial sixty days thereafter, subject to the Court's calendar.

NANCY CARPEY, ELLEN GROSSMAN,
RICHARD GROSSMAN, CECELIA
KESSLER, BETH ANN KESSLER and
AMY LABOZ,
By and through their undersigned counsel,

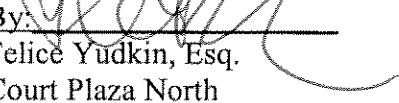
KLEHR, HARRISON, HARVEY,
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DATED: February 16, 2011

THE CLASS 10 LIQUIDATION TRUST
By and through its co-counsel,

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-and-

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DATED: February 17, 2011